

U.S. Department of Justice

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Eastern District of Virginia

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MEDIA RELEASE

FOR IMMEDIATE RELEASE
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Norfolk, Virginia – Paul J. McNulty, United States Attorney for the Eastern District of Virginia, announced that Dalma “Mike” Edwards, age 44, formerly of Hampton, Virginia, made his initial appearance before United States Magistrate Judge Tommy E. Miller in Norfolk, Virginia, following his extradition from New Zealand to the United States to face charges pending before the United States District Court for the Eastern District of Virginia.

In June 2001, a Newport News federal grand jury returned a six-count indictment against Edwards, charging him with theft of government property, wire fraud, money laundering, and making a false statement. The maximum penalties provided by statute for these offenses are: ten years and a \$250,000 fine for theft of government property; five years and a \$250,000 fine for wire fraud; 20 years and a \$500,000 fine for money laundering; and five years and a \$250,000 fine for making a false statement.

The indictment alleges that Edwards served as president of Air Atlantic Express, a Virginia company in the business of providing air freight transportation services. It is also alleged that the United States Postal Service briefly contracted with Air Atlantic Express in October 2000 for air freight services, but then terminated the contract in November 2000 when Edwards advised that his company was unable to carry out the contract. In January 2001, the Postal Service mistakenly issued a \$679,700 payment to Air Atlantic Express, notwithstanding that the company was not entitled to

any payments. After discovering the error, Postal Service personnel notified Edwards of the mistake and demanded the immediate return of the funds. Rather than doing so, the indictment alleges that Edwards stole the \$679,700, schemed to deceive and to defraud the Postal Service by means of false statements and representations indicating that he would repay the funds, and then wired most of the stolen money to a New Zealand bank account and left the United States.

In June 2001, Edwards was found and arrested in New Zealand. After Edwards' indictment, the United States formally requested that New Zealand extradite him to the United States to face the pending charges. In September 2001, at the conclusion of a series of New Zealand judicial proceedings, New Zealand's Minister of Justice, Phil Goff, ordered that Dalma Edward be surrendered to the United States.

Mr. McNulty said, "My office is grateful for the assistance of New Zealand law enforcement authorities in locating this defendant and returning him to the United States to face charges."

The investigation was conducted by the United States Postal Service, Office of Inspector General. Assistant United States Attorney Robert J. Krask is prosecuting the case.